華新建材集團股份有限公司
HUAXIN BUILDING MATERIALS GROUP CO., LTD.

**HUAXIN BUILDING MATERIALS GROUP CO., LTD.***

**華新建材集團股份有限公司**

*(a joint stock limited company incorporated in the People's Republic of China)*

**(Stock Code: 6655)**

# Results Announcement for the Six Months ended 30 June 2026

- For the six months ended 30 June 2026, the unaudited revenue of the Group was RMB 19.497 billion, representing an increase of 21.50% as compared with that of the corresponding period in 2025.
- For the six months ended 30 June 2026, the unaudited earnings before interest, taxes, depreciation, and amortisation ("**EBITDA**") of the Group was RMB 5.550 billion, representing an increase of 32.32% as compared with that of the corresponding period in 2025.
- For the six months ended 30 June 2026, net profit attributable to the owners of the Company amounted to approximately RMB 1.713 billion, representing an increase of 55.22% as compared with that of the corresponding period in 2025. Earnings per share were RMB 0.83.

The board (the "**Board**") of directors (the "**Directors**") of Huaxin Building Materials Group Co., Ltd.*(the "**Company**") hereby presents the unaudited interim results of the Company and its subsidiaries (the "**Group**") for the six months ended 30 June 2026 (the "**Reporting Period**") prepared in accordance with the China Accounting Standard for Business Enterprises. Unless otherwise stated, the currency unit in this announcement is Renminbi ("**RMB**"), the lawful currency of the People's Republic of China ("**PRC**").

## 1. CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

The unaudited consolidated income statement and balance sheet for the Reporting Period prepared in accordance with the China Accounting Standards for Business Enterprises and the comparative figures for the six months ended 30 June 2025 and as at 31 December 2025 respectively are as follows:

### Consolidated Income Statement
### January to June 2026

*(Unit: RMB)*

| | Note | January to June 2026 | January to June 2025 |
|---|---|---|---|
| | | (unaudited) | (unaudited) |
| **1. Total operating income** | 2 | 19,497,106,055 | 16,046,640,187 |
| Including: Operating income | 2 | 19,497,106,055 | 16,046,640,187 |
| **2. Total operating costs** | | 16,220,610,806 | 14,034,455,983 |
| Including: Operating costs | 2 | 13,345,011,236 | 11,405,577,296 |
| Taxes and levies | | 423,562,333 | 417,028,489 |
| Selling and distribution expenses | | 937,469,541 | 762,586,412 |
| General and administrative expenses | | 1,108,353,349 | 939,872,641 |
| Research and development expenses | | 68,321,490 | 72,224,935 |
| Financial expenses | 3 | 337,892,857 | 437,166,210 |
| Including: Interest expenses | | 362,309,724 | 354,306,130 |
| Interest income | | 171,455,501 | 89,363,313 |
| Add: Other income | | 56,362,340 | 71,238,835 |
| Investment income | | 8,114,458 | 1,054,289 |
| Including: Income from investments in associates and a joint venture | | 1,853,743 | 2,710,821 |
| Gains (Losses)from changes in fair value | | -9,825,417 | 2,128,471 |
| Impairment losses on credit | | -40,807,613 | -26,233,268 |
| Impairment losses on asset | | -1,711,081 | -4,054,858 |
| Gains on disposals of asset | | 22,331,605 | -453,063 |
| **3. Operating profit** | | 3,310,959,541 | 2,055,864,610 |
| Add: Non-operating income | | 12,344,464 | 7,589,190 |
| Less: Non-operating expenses | | 69,309,174 | 38,525,586 |
| **4. Profit before tax** | | 3,253,994,831 | 2,024,928,214 |
| Less: Income tax expense | 4 | 999,498,355 | 624,995,493 |

**Consolidated Income Statement *(continued)***
**January to June 2026**

*(Unit: RMB)*

| | Note | January to June 2026 | January to June 2025 |
|---|---|---|---|
| | | (unaudited) | (unaudited) |
| **5. Net profit** | | 2,254,496,476 | 1,399,932,721 |
| **(1) Classified by continuity of operations** | | | |
| 1. Net profit from continuing operations | | 2,254,496,476 | 1,399,932,721 |
| 2. Net profit from discontinued operations | | | |
| **(2) Classified by ownership of the equity** | | | |
| 1. Net profit attributable to shareholders of the Company | | 1,712,791,886 | 1,103,484,806 |
| 2. Profit or loss attributable to minority interests | | 541,704,590 | 296,447,915 |
| **6. Other comprehensive income, net of tax** | | -134,525,621 | 58,306,160 |
| (I) Other comprehensive income attributable to owners of the Company, net of tax | | -124,385,951 | 14,006,261 |
| 1. Other comprehensive income that cannot be reclassified to profit or loss | | -1,523,323 | 8,323,168 |
| Changes in fair value of other equity instruments investments | | -1,523,323 | 8,323,168 |
| 2. Other comprehensive income that will be reclassified to profit or loss | | -122,862,628 | 5,683,093 |
| （1）Cash flow hedge reserve | | - | -19,957,909 |
| （2）Exchange differences on translation of financial statements denominated in foreign currencies | | -122,862,628 | 25,641,002 |
| (II) Other comprehensive income attributable to minority interests, net of tax | | -10,139,670 | 44,299,899 |
| **7. Total comprehensive income** | | 2,119,970,855 | 1,458,238,881 |
| (I) Total comprehensive income attributable to owners of the Company | | 1,588,405,935 | 1,117,491,067 |
| (II) Total comprehensive income attributable to minority interests | | 531,564,920 | 340,747,814 |
| **8. Earnings per share** | | | |
| (I) Basic earnings per share (RMB/ share) | 5 | 0.83 | 0.53 |
| (II) Diluted earnings per share (RMB/ share) | 5 | 0.80 | 0.52 |

## CONSOLIDATED BALANCE SHEET

**30 JUNE 2026**

*(Unit: RMB)*

| | Note | As at 30 June 2026 (unaudited) | As at 31 December 2025 (audited) |
|---|---|---|---|
| **Current assets:** | | | |
| Cash and bank balances | | 8,841,434,666 | 8,534,683,464 |
| Financial assets held for trading | | 202,511,714 | 1,660,727 |
| Notes receivable | | 157,296,841 | 618,259,255 |
| Accounts receivable | 6 | 3,613,577,101 | 3,203,781,601 |
| Receivables financing | 7 | 584,772,997 | 488,921,677 |
| Prepayments | | 464,533,230 | 382,881,818 |
| Other receivables | | 793,575,654 | 784,090,473 |
| Inventories | | 3,857,137,046 | 3,530,231,399 |
| Non-current assets due within one year | | 34,000,000 | 40,000,000 |
| Other current assets | | 936,115,219 | 825,399,926 |
| **Total current assets** | | 19,484,954,468 | 18,409,910,340 |
| **Non-current assets:** | | | |
| Long-term receivables | | 43,186,673 | 27,291,183 |
| Long-term equity investments | | 590,960,512 | 588,300,772 |
| Other equity instrument investments | | 1,167,204,519 | 1,169,235,616 |
| Other non-current financial assets | | 31,159,332 | 40,984,749 |
| Fixed assets | | 30,434,689,586 | 31,711,408,367 |
| Construction in progress | | 4,631,395,472 | 3,457,360,696 |
| Right-of-use assets | | 1,120,189,505 | 1,262,445,427 |
| Intangible assets | | 16,531,318,485 | 16,773,346,650 |
| Development expenditure | | 57,206,076 | 52,906,198 |
| Goodwill | | 4,396,838,546 | 4,353,990,320 |
| Long-term prepaid expense | | 991,597,149 | 1,019,261,783 |
| Deferred tax assets | | 823,572,564 | 752,940,769 |
| Other non-current assets | | 1,210,701,822 | 1,453,712,611 |
| **Total non-current assets** | | 62,030,020,241 | 62,663,185,141 |
| **Total assets** | | 81,514,974,709 | 81,073,095,481 |
| **Current liabilities:** | | | |
| Short-term borrowings | | 604,050,157 | 568,934,645 |
| Notes payable | | 521,476,685 | 653,818,101 |
| Accounts payable | 8 | 8,129,925,122 | 8,168,201,333 |
| Contract liabilities | | 1,199,586,415 | 1,295,767,010 |
| Employee benefits payable | | 314,623,886 | 294,664,668 |
| Taxes and surcharges payable | | 1,127,004,108 | 1,306,360,135 |
| Other payables | | 1,406,233,593 | 1,159,082,004 |
| Non-current liabilities due within one year | | 5,334,884,469 | 5,432,376,523 |
| Other current liabilities | | 89,943,989 | 75,251,827 |
| **Total current liabilities** | | 18,727,728,424 | 18,954,456,246 |

**CONSOLIDATED BALANCE SHEET*(continued)***
**30 JUNE 2026**

*(Unit: RMB)*

| | Note | As at 30 June 2026 | As at 31 December 2025 |
|---|---|---|---|
| | | (unaudited) | (audited) |
| **Non-current liabilities:** | | | |
| Long-term borrowings | | 13,055,956,591 | 13,215,254,559 |
| Bonds payable | | 5,240,837,655 | 5,243,954,003 |
| Lease liabilities | | 846,100,721 | 948,824,367 |
| Long-term payables | | 1,094,792,845 | 1,089,119,472 |
| Long-term employee benefits payable | | 58,748,661 | 59,088,240 |
| Provisions | | 1,378,115,650 | 1,320,989,931 |
| Deferred income | | 263,265,006 | 250,971,380 |
| Deferred tax liabilities | | 2,406,113,753 | 2,491,502,397 |
| Other non-current liabilities | | 99,693,000 | 99,693,000 |
| **Total non-current liabilities** | | 24,443,623,882 | 24,719,397,349 |
| **Total liabilities** | | 43,171,352,306 | 43,673,853,595 |
| **Shareholders' Equity**: | | | |
| Share capital | | 2,078,995,649 | 2,078,995,649 |
| Capital reserve | | 1,602,572,114 | 1,584,045,224 |
| Less: Treasury shares | | 120,482,422 | 98,083,202 |
| Other comprehensive income | | -9,076,256 | 115,309,695 |
| Special reserve | | 56,478,749 | 60,561,207 |
| Surplus reserve | | 1,111,880,257 | 1,111,880,257 |
| Retained profits | | 28,484,920,254 | 27,208,717,454 |
| **Total equity attributable to shareholders of the Company** | | 33,205,288,345 | 32,061,426,284 |
| Minority interests | | 5,138,334,058 | 5,337,815,602 |
| **Total shareholders' equity** | | 38,343,622,403 | 37,399,241,886 |
| **Total liabilities and shareholders' equity** | | 81,514,974,709 | 81,073,095,481 |

**Notes:**

## 1 Basis for preparation

The Group implemented the Accounting Standards for Business Enterprises and relevant regulations issued by the Ministry of Finance of People's Republic of China. Financial information is disclosed in accordance with Preparation Convention of Information Disclosure by Companies Offering Securities to the Public No. 15 – General Rules on Financial Reporting (revised in 2014). Additionally, the financial statements are disclosed as per the requirements of the Companies Ordinance (Chapter 622 of the laws of Hong Kong) and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") (the "**Listing Rules**").

These interim financial statements include selected explanatory notes, which help to understand the significant events and transactions of the changes in financial position and performance of the Group since the 2025 annual financial statements. These selected notes do not include all information and disclosures required to prepare a complete set of financial statements in accordance with the requirements of the Enterprise Accounting Standards, and therefore need to be read together with the Group's 2025 annual financial statements.

## 2 Operating income and operating costs

（1）Operating income and operating costs

| | **January to June 2026** | | **January to June 2025** | |
|---|---|---|---|---|
| | Income | Costs | Income | Costs |
| Principal operations | 19,381,446,826 | 13,278,956,418 | 15,936,934,688 | 11,333,787,250 |
| Other operations | 115,659,229 | 66,054,818 | 109,705,499 | 71,790,046 |
| Total | 19,497,106,055 | 13,345,011,236 | 16,046,640,187 | 11,405,577,296 |

（2）Disaggregated operating revenue from contracts with customers is as follows

:

Analysis by product is set out as below:

| | **January to June 2026** | **January to June 2025** |
|---|---|---|
| Sales of cement | 12,721,835,098 | 8,754,581,124 |
| Sales of concrete | 2,970,005,716 | 3,456,745,885 |
| Sales of clinker | 259,647,438 | 397,096,518 |
| Sales of aggregate | 2,811,681,023 | 2,762,583,002 |
| Others | 733,936,780 | 675,633,658 |
| Total | 19,497,106,055 | 16,046,640,187 |

## 2. Operating income and operating costs (continued)

Analysis by timing of revenue recognition as below：

| | January to June 2026 | January to June 2025 |
|---|---|---|
| At a point in time | 19,069,118,898 | 15,677,002,520 |
| Over time | 423,259,872 | 362,880,005 |
| Rental income – operating lease | 4,727,285 | 6,757,662 |
| Total | 19,497,106,055 | 16,046,640,187 |

（3）Performance of obligations

The Group's business includes the production and sales of building materials such as cement, clinker, aggregates, concrete, new building materials, as well as waste disposal, including:

**Sales of cement and other building materials**

Fulfilling contractual obligations, revenue recognition is based on the transfer of control as the criterion and on a point-in-time basis. Settlement with customers includes cash on delivery and payment upon delivery. For payment upon delivery, the Group extends credit to customers based on their credit rating and credit limit, and customers make payments according to agreed credit terms.

**Service business**

Services performed over a specific period, revenue is recognized on a time-period. Service recipients settle service fees regularly. The Group determines the progress of service delivery based on the actual volume processed and recognizes sales revenue according to the progress of service delivery.

**（4）Allocation to the outstanding contractual obligations**

As at 30 June 2026, the amount of liability corresponding to contracts entered into but not yet fulfilled or earlier performance obligations amounted to RMB1,199,586,415, which is recognized as revenue within the next 2 years (As at 31 December 2025: RMB1,295,767,010, the Group expects this amount to be recognized as revenue within the next 2 years as the obligations are fulfilled).

## 3 Financial expenses

| Item | January to June 2026 | January to June 2025 |
|---|---|---|
| Interest expense | 362,309,724 | 354,306,130 |
| Less: Interest income | 171,455,501 | 89,363,313 |
| Exchange gains or losses | 131,785,237 | 158,608,792 |
| Others | 15,253,397 | 13,614,601 |
| Total | 337,892,857 | 437,166,210 |

## 4 Income tax expenses

(1)Table of income tax expenses

| Item | January to June 2026 | January to June 2025 |
|---|---|---|
| Current tax expenses | 1,144,020,131 | 571,791,452 |
| Deferred tax expenses | -144,521,776 | 53,204,041 |
| Total | 999,498,355 | 624,995,493 |

(2)Reconciliations of profits before tax and income tax expense

| | January to June 2026 | January to June 2025 |
|---|---|---|
| Profit before tax | 3,253,994,831 | 2,024,928,214 |
| Income tax expenses calculated at 25% of tax rate | 813,498,708 | 506,232,053 |
| Effect of preferential tax rates applicable to subsidiaries | 98,350,991 | -84,520,336 |
| Non-taxable income | -601,598 | -635,185 |
| Effect of non-deductible costs, expenses and losses | 365,465 | 667,741 |
| Effect of utilizing deductible losses and deductible temporary differences not recognized for deferred tax assets for the six months ended 30 June 2026 | -37,520,928 | -11,119,192 |
| Effect of deductible temporary differences or deductible losses for which deferred tax assets are not recognized for the six months ended 30 June 2026 | 12,179,219 | 69,982,592 |
| Withholding income tax on expected distribution of earnings of foreign subsidiaries | 109,409,061 | 147,738,075 |
| Others | 3,817,435 | -3,350,257 |
| Income tax expenses | 999,498,355 | 624,995,493 |

## 5 Return on net assets and earnings per share ("EPS")

| | Weighted average return on net assets (%) | EPS | |
|---|---|---|---|
| | | Basic EPS | Diluted EPS |
| Net profit attributable to ordinary shareholders of the Company | 5.22 | 0.83 | 0.80 |
| Net profit after deduction of non-recurring profit or loss attributable to ordinary shareholders of the Company | 5.19 | 0.82 | 0.79 |

## 6 Accounts receivable

(1)Disclosure by aging

| | 30 June 2026 | 31 December 2025 |
|---|---|---|
| Within 6 months | 2,238,518,509 | 2,064,034,005 |
| 6 - 12 months | 780,132,982 | 650,073,734 |
| Subtotal within 1 year | 3,018,651,491 | 2,714,107,739 |
| 1 - 2 years | 712,216,204 | 622,356,392 |
| 2 - 3 years | 161,093,526 | 118,733,730 |
| Over 3 years | 151,740,072 | 134,780,195 |
| Less: Bad debt provision for accounts receivable | 430,124,192 | 386,196,455 |
| Total | 3,613,577,101 | 3,203,781,601 |

The ageing analysis of accounts receivable is based on the date on which the receivables arose.

(2) Disclosure by bad debt provision methods

| | 30 June 2026 | | | | | 31 December 2025 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Account balance | | Bad debt provision | | | Account balance | | Bad debt provision | | |
| | Amount | Proportion (%) | Amount | Proportion of provision (%) | Carrying amount | Amount | Proportion (%) | Amount | Proportion of provision (%) | Carrying amount |
| Receivables for which bad debt provision is assessed on an individual basis | 155,663,784 | 4 | 133,704,950 | 86 | 21,958,834 | 162,492,614 | 5 | 139,256,658 | 86 | 23,235,956 |
| Receivables for which bad debt provision is assessed on a portfolio basis | 3,888,037,509 | 96 | 296,419,242 | 8 | 3,591,618,267 | 3,427,485,442 | 95 | 246,939,797 | 7 | 3,180,545,645 |
| Including： | | | | | | | | | | |
| Category of cement receivable | 709,511,588 | 18 | 16,122,559 | 2 | 693,389,029 | 561,838,107 | 16 | 15,122,626 | 3 | 546,715,481 |
| Category of concrete receivable | 2,643,591,214 | 65 | 234,656,097 | 9 | 2,408,935,117 | 2,441,868,292 | 68 | 197,960,844 | 8 | 2,243,907,448 |
| Category: other business receivables | 534,934,707 | 13 | 45,640,586 | 9 | 489,294,121 | 423,779,043 | 12 | 33,856,327 | 8 | 389,922,716 |
| Total | 4,043,701,293 | / | 430,124,192 | / | 3,613,577,101 | 3,589,978,056 | / | 386,196,455 | / | 3,203,781,601 |

Receivables for which bad debt provision is individually assessed：

**30 June 2026**

| | Account balance | Bad debt provision | Proportion of provision (%) | Reasons for the provision |
|---|---|---|---|---|
| Client A | 10,887,838 | 10,887,838 | 100 | All uncollectible |
| Client B | 8,974,092 | 8,974,092 | 100 | All uncollectible |
| Others | 135,801,854 | 113,843,020 | 84 | Low Recoverability |
| Total | 155,663,784 | 133,704,950 | 86 | |

## 6 Accounts receivable (continued)

Receivables for which bad debt provision is assessed on a portfolio basis：

Combined accrual items: Category of cement receivable

| | 30 June 2026 | | |
|---|---|---|---|
| | Accounts receivable | Bad debt provision | Expected average loss rate (%) |
| Within 6 months | 626,951,200 | 4,769,631 | 1 |
| 6 - 12 months | 62,833,100 | 2,665,949 | 4 |
| 1 - 2 years | 15,751,888 | 4,711,579 | 30 |
| 2 - 3 years | 513,436 | 513,436 | 100 |
| Over 3 years | 3,461,964 | 3,461,964 | 100 |
| TOTAL | 709,511,588 | 16,122,559 | / |

Combined accrual items : Category of concrete receivable

| | 30 June 2026 | | |
|---|---|---|---|
| | Accounts receivable | Bad debt provision | Expected average loss rate (%) |
| Within 6 months | 1,304,716,997 | 51,333,197 | 4 |
| 6 - 12 months | 599,070,761 | 18,019,991 | 3 |
| 1 - 2 years | 604,858,690 | 90,769,127 | 15 |
| 2 - 3 years | 116,563,671 | 57,166,199 | 49 |
| Over 3 years | 18,381,095 | 17,367,583 | 94 |
| TOTAL | 2,643,591,214 | 234,656,097 | / |

Combined accrual items : Category of other business receivables

| | 30 June 2026 | | |
|---|---|---|---|
| | Accounts receivable | Bad debt provision | Expected average loss rate (%) |
| Within 6 months | 305,460,477 | 9,418,495 | 3 |
| 6 - 12 months | 116,214,861 | 6,460,118 | 6 |
| 1 - 2 years | 76,312,347 | 9,759,805 | 13 |
| 2 - 3 years | 24,048,679 | 9,993,305 | 42 |
| Over 3 years | 12,898,343 | 10,008,863 | 78 |
| TOTAL | 534,934,707 | 45,640,586 | / |

## 6 Accounts receivable(continued)

(3) Bad debt provision

| | 31 December 2025 | Changes for the period | | | | 30 June 2026 |
|---|---|---|---|---|---|---|
| | | Provision | Recovery or reversal | Write-off or elimination | Others | |
| Bad debt provision accounts receivable | 386,196,455 | 72,489,401 | 31,422,078 | 1,483,965 | -4,344,379 | 430,124,192 |
| **Total** | 386,196,455 | 72,489,401 | 31,422,078 | 1,483,965 | -4,344,379 | 430,124,192 |

(4) Accounts receivable written off in the Reporting Period

| Item | Write-off amount |
|---|---|
| Accounts receivable written off | 1,483,965 |

(5) Amounts due from top five clients are summarized as below

| | 30 June 2026 | | | |
|---|---|---|---|---|
| | Closing balance of accounts receivable | % of total balance | Closing balance of bad debt provision | Net accounts receivable |
| Client C | 116,439,697 | 3 | 12,891,115 | 103,548,582 |
| Client D | 113,911,265 | 3 | 8,062,090 | 105,849,175 |
| Client E | 89,782,640 | 2 | 689,663 | 89,092,977 |
| Client F | 79,044,366 | 2 | 7,475,703 | 71,568,663 |
| Client G | 65,536,712 | 2 | 2,672,860 | 62,863,852 |
| Total | 464,714,680 | / | 31,791,431 | 432,923,249 |

## 7 Receivables financing

(1) Classification of receivables financing

| Item | 30 June 2026 | 31 December 2025 |
|---|---|---|
| Bank acceptance bills | 584,772,997 | 488,921,677 |
| Total | 584,772,997 | 488,921,677 |

(2) Receivables financing of the Group pledged as at 30 June 2026

| Item | Pledged amount |
|---|---|
| Bank acceptance bills | _- |

## 7 Receivables financing (continued)

(3) Receivables financing of the Company that has been endorsed but has not yet expired as at the balance sheet date as at 30 June 2026

| Item | Derecognized amount | Non-derecognized amount |
|---|---|---|
| Bank acceptances - Endorsed but not yet expired at the balance sheet date | 1,805,282,501 | - |

## 8 Accounts payable

(1) Disclosure by aging

| | **30 June 2026** | **31 December 2025** |
|---|---|---|
| Within 1 year | 6,660,025,945 | 6,922,741,339 |
| 1 - 2 years | 637,697,547 | 341,592,120 |
| 2 - 3 years | 106,718,912 | 271,548,988 |
| Over 3 years | 725,482,718 | 632,318,886 |
| Total | 8,129,925,122 | 8,168,201,333 |

Accounts payable are non-interest bearing and are normally settled within 30 - 360 days.

The aging of accounts payable is calculated from the date of receipt of goods delivered by suppliers or rendering of services from suppliers.

As at 30 June 2026, the Group had no significant overdue accounts payable (31 December 2025: nil).

## II. Dividend

The Board has resolved not to declare the payment of an interim dividend nor capital reserve converted to equity capital for the Reporting Period.

## III. MANAGEMENT DISCUSSION AND ANALYSIS

### Analysis on the operation of the first half of 2026

In the first half of 2026, global cement demand was broadly characterized by "stable aggregate volumes with sharp regional divergence". Emerging markets in Africa, Southeast Asia, Central Asia and Latin America maintained growth, while cement demand in China continued its overall downward trajectory, with the decline further widening. During the Reporting Period, the Company remained committed to its long-term strategic goal of becoming a globally leading multinational building materials group, and continued to implement its four core strategies: "Over seas Multi-business Development", "Domestic Integrated Synergy", "Carbon Emission Reduction and Value-added Innovation" and "Digital and AI-driven Transformation". The domestic integrated business maintained a stable base through the strategy of "extreme cost reduction, price stabilization and share protection", sustaining its position amid market competition. Overseas operations focused on "volume growth, efficiency enhancement and cost reduction", with all businesses achieving stable growth and maintaining efficient operations, have become the core growth engine for the Company's performance.

During the Reporting Period, the Company recorded an operating revenue of RMB 19.497 billion, representing a year-on-year increase of 21.5%; and net profit attributable to shareholders of the parent company of RMB 1.713 billion, up 55.22% year-on-year. This performance growth was primarily attributable to the continued stable growth of overseas operations, a year-on-year increase in the average selling price of cement products, and enhanced cost control measures.

During the Reporting Period, the Company recorded cement and clinker sales volume of 34.787 million tons, up 25.42% year-on-year, of which overseas cement and clinker sales volume amounted to 13.1752 million tons, representing a year-on-year increase of 57.06%; aggregates sales volume of 86.33 million tons, up 13.51% year-on-year; and ready-mixed concrete sales volume of 12.17 million cubic meters. The cement business generated operating revenue of RMB 12.981 billion, up 41.85% year-on-year, of which domestic cement operations contributed RMB 4.440 billion and overseas cement operations contributed RMB 8.542 billion. The aggregates business recorded operating revenue of RMB 2.812 billion, up 1.78% year-on-year; and the ready-mix concrete business recorded operating revenue of RMB 2.970 billion.

During the Reporting Period, the Company's consolidated gross margin increased by 2.63 percentage points year-on-year to 31.55%, of which the cement and clinker business gross margin increased by 4.36 percentage points to 34.59%, the RMX business gross margin increased by 2.99 percentage points to 16.11%, and the aggregates business gross margin stood at 38.30%, maintaining a solid level of profitability.

During the Reporting Period, the Company continued to make breakthroughs in its overseas multi-business development. In the first half of the year, a number of projects were completed and put into operation, including the Phase II 250,000 tons/year cement grinding station in Zimbabwe and the Kiln 1 upgrade at Simuma plant in South Africa (from 1,500 t/d to 2,300 t/d clinker production line). Preparatory work for the proposed acquisition of shares of Holcim Philippines Inc. was substantially completed. The 2,000 tons/day line in Matola Mozambique has restored production capability and is scheduled to resume operation at the end of August. The 3,000 tons/day line in Dondo has accelerated construction and is expected to be commissioned in the third quarter. The 3×5,000 t/d lines at Sagamu and Ashaka in Nigeria are progressing as schedule, and expected to be commissioned by the end of the year.

During the Reporting Period, the Company continued to advance green, low-carbon and sustainable development. In the first half of the year, the Group utilized a total of 1.636 million tons of various alternative fuels (internal statistical basis) and 663,800 tons of non-carbonate industrial solid waste, together reducing carbon dioxide emissions by 1.10 million tons (calculated in accordance with the Ministry of Ecology and Environment's Supplementary Data Sheet for Greenhouse Gas Emission Reporting in the Cement Industry). The Company has been included in the World Brand Lab rankings for 14 consecutive years, with a brand value of RMB 127.569 billion, ranking 79th overall.

**Outlook for the Second Half of 2026**

The year 2026 marks the first year of the 15th Five-Year Plan. Although external uncertainties persist and pressures from domestic structural adjustment and transformation remain evident, the overall outlook for China’s economy in the second half of the year is supported by solid foundations for stable growth and high-quality development. The consumer market continues to recover, playing an increasingly prominent role in supporting economic growth. Macro policies are being coordinated to ensure the smooth operation of the economy. In the second half of the year, government bond fund allocation will pick up pace. The construction of modern infrastructure networks including water networks, new generation power grids, computing power networks, next-generation communication networks, urban underground utility tunnels, and logistics networks will be expedited. Urban renewal initiatives will be further advanced, while signs of stabilisation in the real estate market are gradually emerging. Infrastructure investment is expected to maintain steady growth.

Since 2025, the cement industry’s efforts to address “involution competition” have continued to deepen. The new capacity replacement regulations have been implemented and are taking effect, and the routine supervision of registered production capacity is being carried out comprehensively. Through legal and market-based measures, the industry is guiding the orderly exit of outdated capacity and curbing uncontrolled capacity expansion. As a result, the supply demand imbalance in the industry is expected to improve marginally. However, given the modest recovery in aggregate demand and the persistently high volatility of fuel costs, profitability in the industry remains under pressure in the second half of the year, placing higher requirements on operational quality and efficiency. At the same time, global expansion has become a common pathway for leading domestic building materials companies to break through growth bottlenecks. As the high-quality development under the Belt and Road Initiative continues to advance, rapid urbanization and sustained infrastructure investment in emerging markets such as Africa, Southeast Asia and Central Asia are driving resilient long-term demand for cement and building materials, with significant regional profitability advantages.

Against this backdrop, the Company remains firmly committed to its long-term strategic goal of becoming a globally leading multinational building materials enterprise. It continues to advance the implementation of its four core strategies: “Overseas Multi-business Development”, “Domesti c Integrated Synergy”, “Carbon Emission Reduction and Value-added Innovation” and “Digital and AI-driven Transformation”. In the second half of the year, the Company will further strengthen its operational mindset and accelerate its green, smart and international transformation. In the domestic market, the priority will be focused on improving quality and efficiency, deepening business synergies and integration, and stabilizing the market, operations and performance. In overseas markets, the Company will place equal emphasis on scale expansion and quality enhancement, continue to expand its business boundaries, and further optimize its global footprint.

## IV. SIGNIFICANT MATTERS

During the Reporting Period, the Company was not involved in any significant litigation or arbitration.

During the Reporting Period, save for the total of 5,859,160 A shares held by the relevant accounts of the Core Employees Stock Ownership Plans of the Company (including 5,859,160 shares to be unlocked and vested), and the acquisition of an aggregate of 1,573,400 shares by the trustee of the 2026 H Share Award Scheme pursuant to the rules and terms of the trust deed of the Share Award Scheme on the Stock Exchange at a total consideration of approximately RMB 22,399,220, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including the sale of treasury shares), as at the end of the Reporting Period, the Company did not hold any treasury shares (as defined in the Listing Rules).

## V. DIRECTORS AND SENIOR MANAGEMENT

Mr. Liu Fengshan resigned from his position as an executive Director, member of each of the Governance and Compliance Committee to the Board of Directors and the vice president of the company on 30 March 2026 due to his retirement.

On 28 May 2026, Mr. Ming Jinhua was appointed as a non-executive Director of the Eleventh Board of Directors on the 2025 Annual General Meeting, and he was appointed as a member of the Governance and Compliance Committee at the 24th meeting of the 11th Board of Directors. His term of office will run concurrently with that of the Board.

As at 30 June 2026, the Directors and chief executives of the Company or their associates held certain interests in the shares and underlying shares of the Company and its associated corporation as recorded in the register maintained by the Company pursuant to Section 352 of the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong) as follows:

<table>
<tr><th>Name</th><th>Nature of interest</th><th>Class of shares</th><th>Number of shares</th><th>Approximate% of shares held in the relevant share class</th><th>Approximate% of shares held in the total amount of share capital</th></tr>
<tr><td rowspan="2">Mr. Li Yeqing</td><td rowspan="2">Beneficial owner</td><td>A shares</td><td>1,424,534 (long position)</td><td>0.1060</td><td>0.0685</td></tr>
<tr><td>H shares</td><td>1,435,296 (long position)</td><td>0.1954</td><td>0.0690</td></tr>
<tr><td>Mr. Ming Jinhua</td><td>Beneficial owner</td><td>H shares</td><td>248,800 (long position)</td><td>0.0339</td><td>0.0120</td></tr>
<tr><td rowspan="2">Mr. Liu Fengshan (cease to hold office on 30 March 2026)</td><td rowspan="2">Beneficial owner</td><td>A shares</td><td>334,200 (long position)</td><td>0.0249</td><td>0.0161</td></tr>
<tr><td>H shares</td><td>463,600 (long position)</td><td>0.0631</td><td>0.0223</td></tr>
</table>

Note: the percentage is calculated by the issued underlying shares or total shares of the Company as at 30 June 2026.

During the Reporting Period, the Directors and chief executives of the Company had no material interests in any contract entered into by the Company or its subsidiaries.

## VI. REVIEW OF UNAUDITED INTERIM RESULTS

The Company has set up the Audit Committee. The terms of reference adopted by the Audit Committee complied with all the applicable code provisions set out in Appendix C1 to the Listing Rules. The Audit Committee is responsible for the review and supervision of financial reporting procedures, risk management and the internal control systems of the Group as well as the giving of advice and recommendations to the Board. The interim results for the six months ended 30 June 2026 as disclosed in this announcement have been reviewed by the Audit Committee, but such results have not been audited by the external auditor. The Audit Committee and the auditors have no disagreement with the accounting treatments adopted by the Company.

## VII. CORPORATE GOVERNANCE CODE

The Company has complied with the principles and code provisions set out in the Corporate Governance Code contained in Appendix C1 to the Listing Rules during the Reporting Period.

## VIII. MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the code provisions regarding the purchase and sale of the Company's shares by the Directors of the Company as set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") in Appendix C3 of the Listing Rules. The Company has made specific enquiries to all Directors of the Company and each of them confirmed that they have complied with the requirements contained in the Model Code during the Reporting Period.

## IX. SUBSEQUENT MATERIAL IMPACT EVENTS

On 31 July 2026, the 26th Meeting of the Eleventh Board of Directors of the Company approved the Proposal on Related-party Acquisition of Holcim's Philippines Assets, and approved Huaxin Central Asia Investment (Wuhan) Co., Ltd, a wholly-owned subsidiary of the Company (the "Purchaser") to acquire the equity interests in Holcim Philippines Inc. (the "Core Target Company" or "HPI") indirectly and directly held by Holderfin B.V. (the "Vendor") in two phases. In the first phase (the Transaction), the purchase consideration will be based on an enterprise value of USD 780 million for the Core Target Company on a 100% equity basis. The Company will indirectly acquire 67.623% of the shares in the Core Target Company through the acquisition of shares in three holding companies, with a consideration of approximately USD 527 million (subject to adjustment under a closing accounts mechanism pursuant to the cash, debt, non-trade transaction, and working capital of HPI at closing); in the second phase, the Company will acquire 31.377% shares in the Core Target Company directly held by the Vendor three years later either through the exercise of a call option by the Purchaser or a put option by the Vendor. The consideration for such part shall be the latest audited annual revenue of the Core Target Company (net of any incremental revenue attributable to production expansion)*2.4*31.377%, and shall be no less than USD 280 million.

The Transaction is still subject to approval by the Shareholders' Meeting of the Company, and the relevant overseas investment filings with the National Development and Reform Commission and the Ministry of Commerce, completion of foreign exchange registration with the State Administration of Foreign Exchange, and approval by the Philippine Competition Commission. For further details, please refer to the announcement of the Company dated 2 August 2026.

After the Reporting Period and up to the date of this announcement, save for the events disclosed in this announcement, the Group did not have any material subsequent events.

By order of the Board
**HUAXIN BUILDING MATERIALS GROUP CO., LTD.***
**Xu Yongmo**
*Chairman*

Wuhan, Hubei, the PRC
28 August 2026

*As at the date of this announcement, the Board comprises Mr. Li Yeqing (President) , as executive Director; Mr. Xu Yongmo (Chairman), Mr. Martin Kriegner, Mr. Olivier Milhaud, Ms. Tan Then Hwee and Mr Ming Jinhua, as non-executive Directors; Mr. Wong Kun Kau, Mr. Zhang Jiping and Mr. Jiang Hong, as independent non-executive Directors.*

* *For identification purpose only*